

Reg. No.



# Manipal Institute of Technology, Manipal

(A Constituent Institute of Manipal University)



## VII SEMESTER B.TECH (PRINTING TECHNOLOGY)

### END SEMESTER EXAMINATIONS, NOV/DEC 2015

SUBJECT: PRINT MANAGEMENT COSTING AND ESTIMATION [PME 407]

#### REVISED CREDIT SYSTEM

Time: 3 Hours

MAX. MARKS: 50

#### Instructions to Candidates:

- ❖ Answer **ANY FIVE FULL** questions.
- ❖ Missing data may be suitable assumed.

- 1A.** Why market research is done? Explain the different types of market research. **3**
- 1B.** Calculate the working size of paper required for printing of an 8 page brochure size 210 x 297 mm trimmed to bleed on a single color offset machine. **3**
- 1C.** Give the format of Journal and Ledger. Differentiate between Journal and Ledger. **4**
- 2A.** The Modern Printing Co., is having four departments, A, B and C are the producing departments and D is a service department. The actual cost for a period are as follows: **4**

	Rs.
Rent	2,000
Repair	1,200
Depreciation	900
Lighting	200
Supervision	3,000
Insurance	1,000
Employee's insurance	300
Power	1,800

Following data are also available in respect of four departments. Apportion the cost to the various departments on the most equitable method

Base	Printing (A)	Finishing (B)	Packaging (C)	Maintenance (D)
Area in sq. ft	150	110	90	50
Number of workers	24	16	12	8
Total wages	8,000	6,000	4,000	2,000
Value of plant	24,000	18,000	12,000	6,000
Value of stock	15,000	9,000	6,000	Nil

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- 2B.** Briefly explain the key points considered during negotiations. **3**
- 2C.** Explain the importance of training for managers in printing industry. **3**
- 3A.** Prepare Trading and Profit & Loss Account for the Year ended 31.3.2013. **5**

Heads of Account	Amount (Rs.)
Stock- 1 <sup>st</sup> April 2012	50,000
Sales	2,89,600
Sales returns	9,600
Purchases	2,43,000
Purchase return	3,000
Freight inwards	4,000
Carriage Outwards	6,000
Salaries & Wages	30,000
Bank interest paid	2,000
Printing & Stationery	7,000
Discount received	900
Discount allowed	600
Audit fees	3,000
Insurance Premium	600
Trade Expenses	2,500
Closing Stock on 31.3.2013.	70,000

- 3B.** Differentiate between cost unit and cost center. **2**
- 3C.** Prepare the format of Balance Sheet for Ratio analysis. **3**
- 4A.** Explain the points to be considered for staffing and training requirements. **2**
- 4B.** Prepare the format of Trial Balance for a printing industry. **3**

4C. The Balance sheet and Income statement of a company is given below:

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## BALANCE SHEET AS ON 31-03-2004

LIABILITIES	Amount Rs In Crores	ASSETS	Amount Rs In Crores
Capital	1	Net Fixed Assets	3
Reserves & Surplus	2.25	Cash & Bank Balance	0.5
Long Term Loans	2	Receivables	1.5
Short Term Loans	0.75	Stock	2
Sundry Creditors	1	Prepaid Expenses	0.25
Provisions	0.5	Loans & Advances	0.25
	<b>7.5</b>		<b>7.5</b>

Income statement of XYZ Ltd co. for the year ended 31st March 2013 (Rs.in crores)

Net sales	9.5
Cost of goods sold	7.2
Gross profit	2.3
Operating exp	1.05
Operating profit	1.25
Non operating surplus	0.26
PBIT	1.51
Interest	0.50
PBT	1.01
Tax	0.50
PAT	0.51
Dividends	0.18
Retained earnings	0.33

Calculate the following ratios of XYZ Ltd co.

- Current ratio
- Acid test ratio
- Debt – Equity ratio
- Debt - Asset ratio
- Interest coverage ratio

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- 5A.** Why income statement is required for printing industry? Give the format. **3**
- 5B.** Estimate the quantity of stitching wire required for making 1,50,000 answer books in a4 size. There are two wire staples in each answer book and each stitch requires 30 mm wire of 22 gauge (wire length = 285 meters). Consider a wastage of 5%. **3**
- 5C.** Briefly explain the different costing techniques and list the factors to be considered for costing. **4**
- 6A.** Calculate the weight of paste required in kilograms for the pasting of endpaper of 5000 books of A5 size to the inside of the hard covers. **3**
- 6B.** How many boards of 25 “ x 30 “ size will be required for making of covers of 2000 hard bound books in Demmy Octavo size? **3**
- 6C.** Considering a printing industry, give the different types of account (classification of accounts) and explain golden rule applicable for them. **4**